UNITED STATES OF AMERICA BEFORE THE FEDERAL ENERGY REGULATORY COMMISSION

The United Illuminating Company

Docket No. ER07-653-000

AMENDMENT OF INTERVENTION AND ADOPTION OF PROTEST OF THE MAINE PUBLIC UTILITIES COMMISSION

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The Maine Public Utilities Commission ("MPUC"), by and through counsel, Lisa Fink, State of Maine Public Utilities Commission, 242 State Street, 18 State House Station, Augusta, Maine 04333-0018, and Lisa S. Gast, Duncan, Weinberg, Genzer & Pembroke, P.C., 1615 M Street, NW, Suite 800, Washington, DC 20036, respectfully files this Amendment of Intervention and Adoption of Protest in the above-captioned proceeding regarding the United Illuminating Company's ("UI") March 23, 2007 request for approval of incentive rate treatment for costs associated with construction of a new 345-kV transmission line and upgrades to the existing 115-kV line from Middletown to Norwalk, Connecticut.

I. PRELIMINARY STATEMENT

This Amendment of Intervention and Adoption of Protest is filed pursuant to Rules 211 and 215 of the Rules of Practice and Procedure of the Federal Energy Regulatory Commission ("Commission"), 18 C.F.R. §§ 385.211 and 385.215 (2006).

The MPUC filed its Notice of Intervention on April 13, 2007, which intervention has not yet been acted upon by the Commission. This pleading is an amendment of that Notice of Intervention.

II. ADOPTION OF PROTEST

The MPUC hereby incorporates and adopts by reference the Motion to Reject Filing or, in the Alternative, Protest and Request For Initiation of Hearing Procedures filed by the Connecticut Department of Public Utility Control ("CT DPUC Protest") on April 13, 2007 in this proceeding with respect to CT DPUC's protest of UI's proposal to apply a 50 basis point adder to its return on equity ("ROE") as an "incentive" for using what UI characterizes as "innovative and advanced transmission technology and design." The MPUC does not adopt the CT DPUC protest in two respects: (1) the MPUC does not agree with the CT DPUC that the underground transmission that is part of the Middletown to Norwalk project represents a cost-effective approach², and (2) the MPUC takes no position on whether it is appropriate to include 100% of UI's Construction Work in Progress ("CWIP") in rate base.

United Illuminating Company's Filing Seeking Incentive Rate Treatment, *United Illuminating Co.*, Docket No. ER07-653-000 (Mar. 23, 2007) ("UI Filing"), Cover Letter at 11.

The other arguments raised by CT DPUC provide ample support for rejecting the requested adder. For example, as discussed in the CT DPUC protest, United Illuminating was required by the Connecticut Legislature and the Connecticut Siting Counsel to build the underground transmission. Therefore, the proposed ROE adder does not provide any needed incentive; rather, it rewards UI for actions it was required to take and has already undertaken.

III. <u>CONCLUSION</u>

WHEREFORE, the Maine Public Utilities Commission requests that the Commission grants the relief requested by the CT DPUC in its Protest with respect to the 50 basis point adder UI has requested be applied to its ROE.

Dated: April 20, 2007

Respectfully submitted,

/s/ Lisa S. Gast Lisa S. Gast Duncan, Weinberg, Genzer & Pembroke, P.C. 1615 M Street, N.W., Suite 800 Washington, D.C. 20036

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CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon each person designated on the service list compiled by the Secretary in this proceeding either by U.S. Mail or electronic service, as appropriate. Dated at Washington, D.C., this 20th day of April, 2007.

/s/ Harry A. Dupre
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